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Policy Options

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101-00634/

Summary Report
Nigeria Sanctions Roundtable
Ottawa
June 11, 1998

Summary notes from Nigeria sanctions roundtable, Ottawa, 11 June 1998

This paper briefly summarizes the objectives, conclusions, and recommendations of the expert roundtable on Nigeria and sanctions, held in Ottawa on 11 June, 1998. The main themes arising from the discussions are divided into four categories: broad themes pertaining to sanctions strategy, possible routes of influence, obstacles to change, and "pros and cons" of various strategies.

Objectives of the meeting

The purpose of the roundtable was to identify options that might realistically be pursued should the situation in Nigeria not improve. Four sets of questions guided the discussion:

-When are sanctions effective? How would Nigeria respond to sanctions?

-What international forum or multilateral coalition would best be able to influence the behaviour of the Nigerian military regime. How might such a coalition be constructed?

-What are the legal requirements to impose sanctions on Nigeria? How might these impact on Canadian policy?

-What other measures might represent useful complements or alternatives to sanctions?

Broad strategic themes

-The situation in Nigeria carries broad implications for Canadian interests, and for regional and global peace, stability, and prosperity. The cost of doing nothing is likely to be very high.

-The direct coercive effect of unilateral Canadian sanctions would be negligible. Nonetheless, such measures would firmly position Canada as a leader in the drive for democracy in Nigeria. This, in turn, could provide a significant political boost to the Nigerian opposition, and to progressive elements of global civil society.

-Taken in isolation, sanctions are unlikely to prove very effective in prompting the Nigerian leadership to modify its policies. A balanced, "carrot and stick" approach is indicated. Rewards for positive change are likely to be particularly useful.

-It is important to present the regime with specific, quantifiable requests (such as the release of political prisoners), even while pursuing the general objective of a wholesale "transition to democracy." Each request should carry clearly specified incentives, both positive and negative.

-A multilateral approach, involving states *and* civil-societal actors, is of paramount importance.

-If they are used at all, economic sanctions should be designed to cause pain to members of the Nigerian regime, and to minimize the negative impact on Nigerian civilians and neighbouring states.

Possible routes of influence

-Nigeria's leader, General Abubakar, may presently be more susceptible to external pressure, given that his regime is in its nascency and he has not yet wedded himself to a policy of continued repression. At the same time, he may feel compelled to engage in such repression in order to consolidate his rule. It is therefore important to offer him positive incentives for change.

-The opposition movement within Nigeria has exhibited an impressive degree of unity, with regard to its strategies as well as its objectives.

-Elements of the African-American lobby are pushing the Clinton administration to adopt a tougher stance on Nigeria.

-Nigeria is heavily dependent on imports of refined petroleum products, and exports of crude oil.

Obstacles to sanctions-induced change

-The opposition in Nigeria, while cohesive, is very weak relative to the regime.

-Support among African states for tough action against Nigeria is falling. Neighbouring states fear the political and economic consequences of openly supporting such action, and they approve of the constructive role recently played by Nigeria in regional politics. This lack of support makes it difficult to design an effective regime of sanctions.

-France strongly opposes sanctions, and French corporations are anxious to do business in Nigeria.

-Nigeria is not an attractive place for corporate investment: this means that sanctions on foreign direct investment would provide little leverage over the regime.

-In the United Nations Security Council, it would be very difficult to find nine votes in favour of a resolution mandating sanctions against Nigeria.

-If Canada pushes for sanctions against Nigeria at a meeting of the Commonwealth Minister's Action Group (CMAG), Nigeria may lobby other African states to oppose Canada's Security Council candidacy. Both the Nigerian elections and Security Council elections are scheduled for October.

Comments on various policy options

-**Economic sanctions** generally lead to profiteering by elites, and cause harm to innocent civilians.

-**Assets freezes** would require the cooperation of the U.S. and U.K. if they are to be effective. Assets freezes are relatively easy to evade (it was suggested that evasive tactics have already taken place). We lack a reliable means of identifying the ownership of relevant assets.

-A **ban on investment** in Nigeria would carry minimal coercive impact, but would publicize the issue, and would be unlikely to hurt Nigerian civilians.

-A **ban on imports of oil production equipment** into Nigeria would require U.S. support in order to be meaningful.

-**Restrictions on trade credits** to Nigeria could represent a good means of inflicting short-term pressure on the regime.

-A **ban on the import of luxury goods** to Nigeria is a sound idea.

-Support for **travel/visa restrictions** needs to be broadened. These restrictions should be sharpened in order to target elites while sparing students, trade unionists, and other opposition members.

-**Cutting off air and land links** to Nigeria would not be helpful unless states such as France and the U.K. sever air links, and unless Nigeria's neighbours cut off land routes. This is unlikely to occur.

-It would be effective to **block hard currency transactions related to Nigeria's oil trade**, thereby producing a "virtual embargo." However, this would require the cooperation of the U.S. and U.K.

-A comprehensive **oil embargo** would undoubtedly prove painful to the regime, but would be politically very difficult to organize and maintain. It would also produce negative humanitarian consequences for Nigeria's poor, and particularly its women and children. Any such embargo should only be undertaken after an assessment mission gauges its likely humanitarian effects, and only if a plan is in place to mitigate these effects.

-The idea of a **ban on importing Nigerian oil into Canada** received broad support, but it was noted that, under Canadian law, such an act would require a prior "international agreement" among states taking part in the ban. The exact nature of such an agreement is unclear; it is something more onerous than a bilateral agreement, but less onerous than a decision by the U.N. Security Council.

-An **embargo on importing refined petroleum products into Nigeria** would be quite painful to the regime, but would also carry humanitarian consequences. It might be fruitful to link such a "stick" to the "carrot" of helping Nigeria to develop an independent fuel production capacity, in exchange for political reforms.

-Participants agreed that it is appropriate to **increase the level of aid to Nigeria's opposition**, and to other progressive elements of Nigerian civil society.

-Positive incentives or **"carrots"** are an attractive means of inducing political change. They are unlikely to cause humanitarian suffering, and are more likely to be supported by states which would not condone the use of sanctions. **Suggested carrots include:** the provision of relief aid in exchange for the release of political prisoners, offers of military training and assistance in exchange for the military's return to barracks, pledges of amnesty for criminals in the regime, and offers of debt relief as a means to reinforce ongoing reforms.

Other recommendations

-It appears that the Commonwealth represents the most promising forum for concerted action against the Nigerian regime. CMAG must meet as soon as possible on the question of Nigeria. Both formally and informally, Canada should lobby CMAG members for action.

-While the Commonwealth is a key forum, it is not certain that it will take firm action against Nigeria. Canada must therefore work to establish broader coalitions which include economic powers such as the U.S. and the U.K., and in persuading Nigeria's neighbours to acquiesce in (if not support) the imposition of sanctions.

-It is vitally important to determine what Nigeria's opposition wants and needs in terms of sanctions and other forms of support. It is also crucial that external actors and the internal opposition engage in a dialogue aimed at harmonizing their policy objectives and the instruments used in the pursuit of those objectives.

-Canada should push for the release of political prisoners, including President-elect Abiola, by the Nigerian regime. Other priorities include efforts to secure: unimpeded access for humanitarian organizations, permission for an international group to monitor Nigeria's upcoming elections, increased freedom of the press, and the safe return of exiles to Nigeria.

-Canada should initiate a study of the likely humanitarian impact of a possible oil export embargo or gasoline import embargo against Nigeria. Such a study would constitute an important part of the diplomatic process, given that it would be regarded by the Nigerian regime as an implicit threat.

-Canada should also study the structure of Nigerian debt: when is it due, how much, and to whom. This information would help to determine whether the debt could be used to pressure the regime, as was the case in South Africa. It would also be useful to explore the idea that debt relief could provide a positive incentive for change.

Things to watch / Questions for debate

-How likely is CMAG to take a strong stance against the Nigerian regime?

-How would other African states respond if Canada were to adopt a hard-line against Nigeria?

-How does the new regime react to dissent - is it trying to quash it brutally, or to quell it in order to make more incremental changes?

-How quickly would an oil embargo bring the regime to its knees (if at all)? If it would act quickly, then the question of civilian humanitarian impact might be less salient. More study is needed.

-What sort of "intergovernmental agreement" could serve as the legal basis for a Canadian ban on Nigerian oil imports?